constructing the Neelam-Jhelum Power Project in PoK on war-footing;

(b) whether the completion of the project would have any negative effect on India's water and agricultural requirements under the Indus Treaty of 1960; and

(c) what steps have been taken by Government to meet the situation?

THE MINISTER OF WATER RESOURCES (SHRI ARJUN CHARAN SETHI): (a) It is understood that Pakistan is planning to construct the Neelam-Jhelum Power Project in PoK.

(b) and (c) As per the provisions of the Indus Water Treaty, certain amount of storage has been allowed on the Western rivers flowing in Jammu and Kashmir. However, this is subject to the provision that any storage project to be constructed on a tributary of Jhelum on which Pakistan has any agricultural and hydro electric use shall be so designed and operated as not to adversely affect the existing agricultural use or hydro electric use on that tributary. To safeguard its interests, India has planned the Kishenganga hydro electric scheme on the Kishenganga tributary of Jhelum. The relevant data has already been communicated to Pakistan as per the provisions of the Indus Water Treaty.

Commutation Value of Pensioner

*375. SHRI LALIT SURI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Fifth Central Pay Commission had recommended that the commutation value of the Central Government pensioners be restored after twelve years instead of fifteen years;

(b) whether it is a fact that some State Governments have restored the commuted value after 12 years; if so, the names of such State Governments;

(c) whether Government propose to re-consider the matter and accept the recommendations of the Fifth Pay Commission; and

(d) If so, by when a decision in this regard is likely to be taken?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) As the matter relates to State Governments this data is not maintained by the Government of India.

(c) No, Sir.

(d) Does not arise.

Lessening the Debt/Loan burden on States

†*376.DR. PRABHA THAKUR:
SHRI BALKAVI BAIRAGI:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government have considered the suggestions received from the States regarding lessening the burden of loans and to make the proportion of Central assistance and loan as 50:50 in comparison to the present proportion of 70:30;

(b) if so, the outcome thereof;

(c) whether any scheme has been formulated by the Central Government to lessen the burden of loans on States; and

(d) if so, the details of the said scheme and by when it is likely to be implemented?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Yes, Sir. As a part of the States' suggestions for a revision in the Gadgil Formula and in the subsequent discussions in the 49th Meeting of the National Development Council (NDC) held on the 1st September, 2001, several non-special category States have *inter-alia,* proposed liberalizing the existing loan-grant ratio for Central Plan Assistance. The existing loan-grant ratio of Plan assistance to States is based on the Gadgil

† Onginal notice of the question was received in Hindi.